

# Vocational Rehabilitation

Analyst: Holland-Smith

## Historical Summary

<b>OPERATING BUDGET</b>	<b>FY 2004 Total App</b>	<b>FY 2004 Actual</b>	<b>FY 2005 Approp</b>	<b>FY 2006 Request</b>	<b>FY 2006 Gov Rec</b>
<b>BY PROGRAM</b>					
Community Supported Employment	0	0	3,970,800	4,027,000	3,976,300
Epilepsy Services	70,300	67,800	70,300	70,300	70,300
Independent Living Council	298,100	298,100	302,200	0	0
Renal Disease Services	535,900	535,900	550,800	564,200	561,700
Vocational Rehabilitation	16,541,000	17,226,200	17,339,500	18,580,400	18,020,700
<b>Total:</b>	<b>17,445,300</b>	<b>18,128,000</b>	<b>22,233,600</b>	<b>23,241,900</b>	<b>22,629,000</b>
<b>BY FUND CATEGORY</b>					
General	3,673,000	3,673,000	7,738,600	7,932,300	7,799,500
Dedicated	1,038,900	549,300	1,036,200	1,030,300	1,017,100
Federal	12,733,400	13,905,700	13,458,800	14,279,300	13,812,400
<b>Total:</b>	<b>17,445,300</b>	<b>18,128,000</b>	<b>22,233,600</b>	<b>23,241,900</b>	<b>22,629,000</b>
Percent Change:		3.9%	22.6%	4.5%	1.8%
<b>BY OBJECT OF EXPENDITURE</b>					
Personnel Costs	7,369,600	6,581,900	7,385,200	7,757,200	7,726,800
Operating Expenditures	1,439,200	1,608,200	1,500,800	1,600,500	1,435,600
Capital Outlay	0	223,400	0	267,600	0
Trustee/Benefit	8,636,500	9,714,500	13,347,600	13,616,600	13,466,600
<b>Total:</b>	<b>17,445,300</b>	<b>18,128,000</b>	<b>22,233,600</b>	<b>23,241,900</b>	<b>22,629,000</b>
Full-Time Positions (FTP)	150.00	150.00	150.00	150.00	150.00

## Division Description

Community Supported Employment (CSE): Provides remunerative work and support for adults with developmental disabilities and mental illness who lack the skills and experience to obtain and maintain employment in the competitive labor market. Employment Services are comprised of Work Services and Community Supported Employment.

Epilepsy Services: Places persons afflicted with epilepsy in touch with professionals so the trauma can be reduced and allow them to participate fully in their families, communities, interests, etc.

Independent Living Council: Provides a Statewide Independent Living Council (SILC), which is mandatory if the state wishes to receive federal financial assistance under Title 7 of the federal Rehabilitation Act. Beginnin in FY 2005 this program was transferred to an independent agency within the Health & Human Services function.

Renal Disease Services: Provide lifesaving services (kidney dialysis and kidney transplants) to those suffering from end-stage kidney disease.

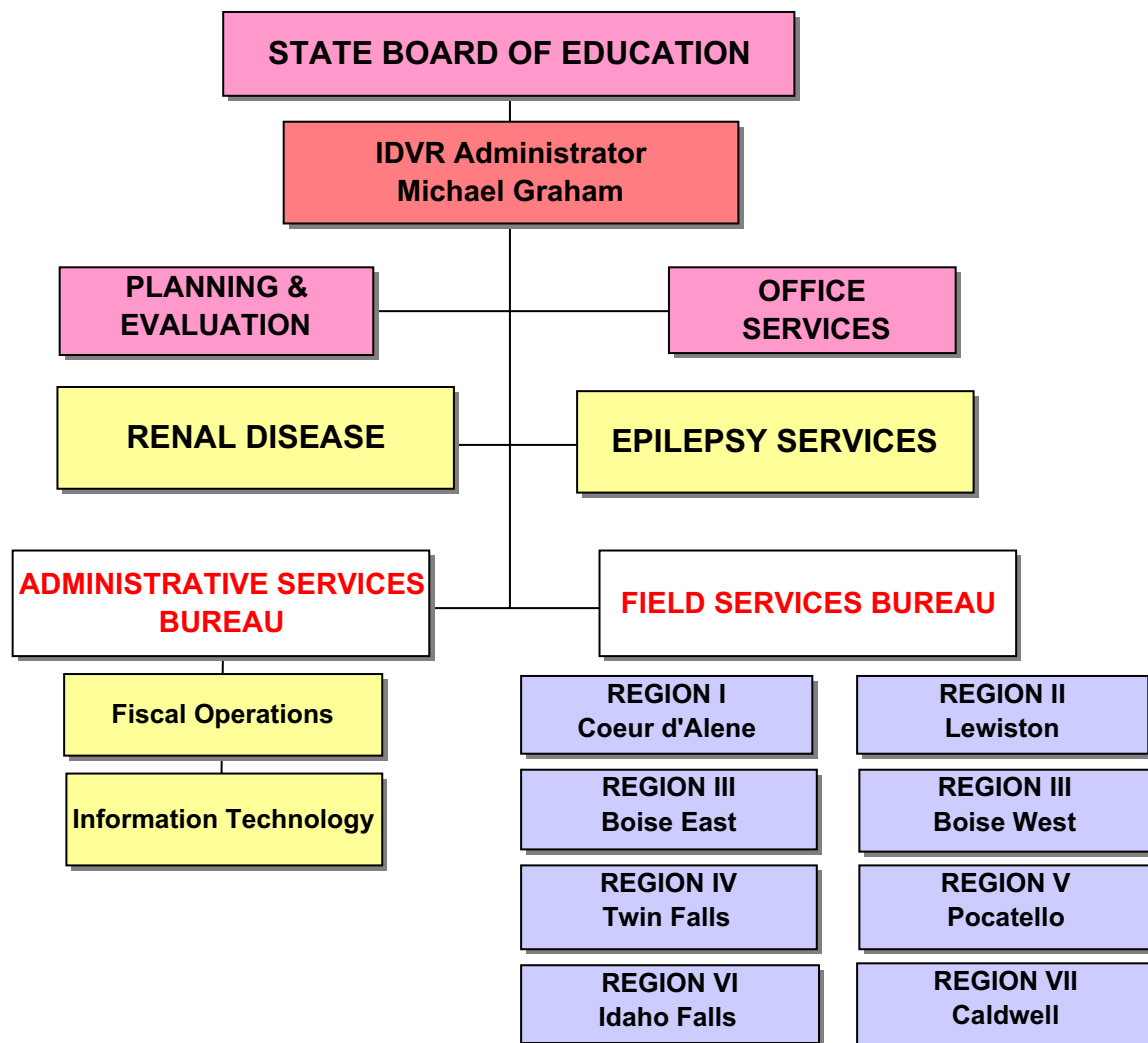
Vocational Rehabilitation Services: Provide services to allow the disabled of Idaho the opportunity of full employment, independence from government support and dignity and self-respect. Maintain the productivity of each disabled citizen who is capable of employment and reduce the burden of dependence on the taxpayers.

# Division of Vocational Rehabilitation

## Agency Profile

Analyst: Holland-Smith

### Organizational Chart



Sources of Funds	FY 2004 Expenditures	Percent of Total	FY 2005 Appropriation	FY 2006 Request
1. <b>General Fund (0001-00)</b>	\$ 3,673,000	20.3%	\$ 7,738,600	\$ 7,932,300
The General Fund sources are the individual income tax, corporate income tax, sales tax, cigarette tax, beer tax, wine tax, liquor surcharge, kilowatt hour tax, mine license tax, treasurer's interest on investments of certain idle funds, and miscellaneous sources from agency receipts.				
2. <b>Federal Funds (0348-00)</b>	\$ 13,905,700	76.7%	\$ 13,458,800	\$ 14,279,300
This fund receives moneys from several federal grants primarily authorized by the Vocational Rehabilitation Act, as amended. The grants are administered by the Rehabilitation Services Administration, U.S. Education Department. The state matching share varies from 21.3% for Section 110 funding to 0% on other grants.				
3. <b>Miscellaneous Revenue</b>	\$ 549,300	3.0%	\$ 1,036,200	\$ 1,030,300
Contributions and contract payments from the Department of Health and Welfare, and various school districts and other public and private sources such as Medicare, Medicaid, private insurance carriers, clients, attorneys and other third party payers as cost reimbursements, refunds, or donations.				
<b>TOTAL</b>	<b>\$ 18,128,000</b>	<b>100%</b>	<b>\$ 22,233,600</b>	<b>\$ 23,241,900</b>

# Vocational Rehabilitation

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## Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
<b>FY 2005 Original Appropriation</b>	<b>150.00</b>	<b>7,738,600</b>	<b>22,233,600</b>	<b>150.00</b>	<b>7,738,600</b>	<b>22,233,600</b>
HB 805 One-time 1% Salary Increase	0.00	12,900	60,500	0.00	12,900	60,500
1. Administrative Costs to Set Up Program	2.00	82,900	82,900	2.00	0	0
Governor's Rescission	0.00	0	0	0.00	(2,600)	(12,700)
Other Approp Adjustments	(2.00)	(78,700)	(302,200)	(2.00)	(78,700)	(302,200)
<b>FY 2005 Total Appropriation</b>	<b>150.00</b>	<b>7,755,700</b>	<b>22,074,800</b>	<b>150.00</b>	<b>7,670,200</b>	<b>21,979,200</b>
Non-Cognizable Funds and Transfers	0.00	0	0	0.00	0	0
<b>FY 2005 Estimated Expenditures</b>	<b>150.00</b>	<b>7,755,700</b>	<b>22,074,800</b>	<b>150.00</b>	<b>7,670,200</b>	<b>21,979,200</b>
Removal of One-Time Expenditures	0.00	(95,800)	(143,400)	0.00	(11,500)	(53,800)
Base Adjustments	0.00	18,200	181,900	0.00	19,400	187,900
<b>FY 2006 Base</b>	<b>150.00</b>	<b>7,678,100</b>	<b>22,113,300</b>	<b>150.00</b>	<b>7,678,100</b>	<b>22,113,300</b>
Benefit Costs	0.00	30,100	134,700	0.00	23,300	104,300
Inflationary Adjustments	0.00	89,200	222,700	0.00	20,200	54,300
Replacement Items	0.00	57,000	414,100	0.00	0	0
Nonstandard Adjustments	0.00	1,700	14,900	0.00	1,700	14,900
Change in Employee Compensation	0.00	14,100	63,000	0.00	14,100	63,000
27th Payroll	0.00	62,100	279,200	0.00	62,100	279,200
<b>FY 2006 Total</b>	<b>150.00</b>	<b>7,932,300</b>	<b>23,241,900</b>	<b>150.00</b>	<b>7,799,500</b>	<b>22,629,000</b>
Change from Original Appropriation	0.00	193,700	1,008,300	0.00	60,900	395,400
% Change from Original Appropriation		2.5%	4.5%		0.8%	1.8%

# Vocational Rehabilitation

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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
<b>FY 2005 Original Appropriation</b>	150.00	7,738,600	1,036,200	13,458,800	22,233,600
<b>HB 805 One-time 1% Salary Increase</b>					
Agency Request	0.00	12,900	0	47,600	60,500
Governor's Recommendation	0.00	12,900	0	47,600	60,500
<b>1. Administrative Costs to Set Up Program</b>					
<b>Community Supported Employment</b>					
This request is to reimburse the Vocational Rehabilitation program for the administrative costs incurred in setting up the Community Supported Employment (CSE) program. The appropriation and responsibility for the CSE program was transferred to this agency from Health & Welfare during the 2004 Legislative Session. The agency was provided with \$25,000 for operating costs for the current fiscal year. Startup costs have exceeded that amount by \$53,100. The agency purchased a web-based case management system for \$49,900 and expended \$3,200 for task force meetings. The agency also provided office furniture and computer equipment for the two new employees at a cost of \$5,800. The Agency is also requesting an additional \$24,000 to purchase vehicles for the employees. The total amount of this request is one-time and includes 2.00 FTP that were originally recommended to come from vacant positions within the agency but are now unavailable.					
Agency Request	2.00	82,900	0	0	82,900
<i>The Governor recommends moving the requested dollars from trustee/benefits to operating and capital outlay to cover the one-time start-up costs.</i>					
Governor's Recommendation	2.00	0	0	0	0
<b>Governor's Rescission</b>					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends removal of funds not needed to implement HB 805. In addition, the Governor recommends removal of risk management funding in excess of needs calculated by the Department of Administration.</i>					
Governor's Recommendation	0.00	(2,600)	0	(10,100)	(12,700)
<b>Other Approp Adjustments</b>					
Transfers the FY 2005 appropriation for the State Independent Living Council (originally a budgeted program within Vocational Rehabilitation) to a separate agency.					
Agency Request	(2.00)	(78,700)	(19,100)	(204,400)	(302,200)
Governor's Recommendation	(2.00)	(78,700)	(19,100)	(204,400)	(302,200)
<b>FY 2005 Total Appropriation</b>					
Agency Request	150.00	7,755,700	1,017,100	13,302,000	22,074,800
Governor's Recommendation	150.00	7,670,200	1,017,100	13,291,900	21,979,200
<b>Non-Cognizable Funds and Transfers</b>					
Transfers the 1% one-time CEC into the appropriate program.					
Agency Request	0.00	0	0	0	0
Governor's Recommendation	0.00	0	0	0	0
<b>FY 2005 Estimated Expenditures</b>					
Agency Request	150.00	7,755,700	1,017,100	13,302,000	22,074,800
Governor's Recommendation	150.00	7,670,200	1,017,100	13,291,900	21,979,200
<b>Removal of One-Time Expenditures</b>					
Agency Request	0.00	(95,800)	0	(47,600)	(143,400)
Governor's Recommendation	0.00	(11,500)	0	(42,300)	(53,800)

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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
<b>Base Adjustments</b>					
Transfers back a portion of the FY 2005 appropriation that was initially removed in the Other Approp Adjustments category. Vocational Rehabilitation is still required to be the payer of certain services in order for the State Independent Living Council to receive a federal match for General Funds.					
Agency Request	0.00	18,200	0	163,700	181,900
<i>Restore risk management rescission to the base.</i>					
Governor's Recommendation	0.00	19,400	0	168,500	187,900
<b>FY 2006 Base</b>					
Agency Request	150.00	7,678,100	1,017,100	13,418,100	22,113,300
Governor's Recommendation	150.00	7,678,100	1,017,100	13,418,100	22,113,300
<b>Benefit Costs</b>					
Includes the employer-paid portion of estimated changes in employee benefit costs. The two biggest factors are health insurance rates and retirement rates. Health insurance is projected to increase by 9.7% or \$632 per position. Retirement rates are scheduled to increase by 5.9% from 10.39% to 11% of salary for regular employees and by 5.7% from 10.73% to 11.34% of salary for police and firefighters. Other benefit changes include a reduction in unemployment insurance rates, a reduction in Division of Human Resources rates for classified employees, and an increase in workers compensation rates.					
Agency Request	0.00	30,100	0	104,600	134,700
<i>The Governor does not recommend increases related to changes in the Public Employee's Retirement System.</i>					
Governor's Recommendation	0.00	23,300	0	81,000	104,300
<b>Inflationary Adjustments</b>					
Includes a general inflationary increase of 1.3% in operating expenditures and trustee/benefit payments and a medical inflationary increase of 3.0% in trustee/benefit payments.					
Agency Request	0.00	89,200	13,200	120,300	222,700
<i>The Governor recommends no increase for general inflation, while a 3.0% increase for medical inflation is recommended.</i>					
Governor's Recommendation	0.00	20,200	0	34,100	54,300
<b>Replacement Items</b>					
The agency is requesting \$146,500 to upgrade, maintain, and renew licenses for computer software: \$36,700 is requested for Microsoft licensing, \$31,200 for Microsoft operating system upgrade, \$24,000 for Novell license renewals, \$51,600 for Gemini software maintenance, and \$3,000 for administrative software upgrades. A total of \$78,000 is also requested to replace six midsize passenger vehicles at \$13,000 each, \$12,800 is requested for telephone systems, \$154,200 for computer equipment, and \$22,600 for office equipment and furniture.					
Agency Request	0.00	57,000	0	357,100	414,100
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
<b>Nonstandard Adjustments</b>					
The Statewide Cost Allocation Plan assesses state agencies for their actual use of Attorney General, State Controller and State Treasurer services. Also included are changes in property and casualty insurance premiums and the cost of office space leased to state agencies by the Department of Administration. Risk management fees are decreased by \$500, Attorney General fees are increased by \$900, Controller fees are increased by \$6,500, and State Treasurer fees are increased by \$4,600. The agency also requests \$3,400 for a lease increase for the Lewiston office.					
Agency Request	0.00	1,700	0	13,200	14,900
Governor's Recommendation	0.00	1,700	0	13,200	14,900

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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
<b>Change in Employee Compensation</b>					
Reflects the cost of a 1% salary increase for permanent and group positions.					
Agency Request	0.00	14,100	0	48,900	63,000
<i>The Governor recommends a compensation increase of 1% to be distributed based on merit. No adjustment to the pay line is recommended.</i>					
Governor's Recommendation	0.00	14,100	0	48,900	63,000
<b>27th Payroll</b>					
Reflects the cost of one additional payroll in fiscal year 2006. This happens every eleven or twelve years because there are 364 days in 26 payperiods but a year has 365.242 days.					
Agency Request	0.00	62,100	0	217,100	279,200
Governor's Recommendation	0.00	62,100	0	217,100	279,200
<b>FY 2006 Total</b>					
Agency Request	150.00	7,932,300	1,030,300	14,279,300	23,241,900
Governor's Recommendation	150.00	7,799,500	1,017,100	13,812,400	22,629,000
Agency Request					
Change from Original App	0.00	193,700	(5,900)	820,500	1,008,300
% Change from Original App	0.0%	2.5%	(0.6%)	6.1%	4.5%
Governor's Recommendation					
Change from Original App	0.00	60,900	(19,100)	353,600	395,400
% Change from Original App	0.0%	0.8%	(1.8%)	2.6%	1.8%